

Message Text

CONFIDENTIAL

PAGE 01 LONDON 04202 01 OF 03 171825Z

54

ACTION EUR-12

INFO OCT-01 EA-07 NEA-10 ISO-00 EURE-00 SS-15 SP-02 PM-04

PRS-01 INR-07 /059 W

----- 051310

P 171814Z MAR 76

FM AMEMBASSY LONDON

TO SECSTATE WASHDC PRIORITY 9947

INFO AMEMBASSY BONN PRIORITY

AMEMBASSY BRUSSELS PRIORITY

AMEMBASSY COPENHAGEN PRIORITY

AMEMBASSY DUBLIN PRIORITY

AMEMBASSY THE HAGUE PRIORITY

AMEMBASSY LUXEMBOURG PRIORITY

AMEMBASSY PARIS PRIORITY

AMEMBASSY ROME PRIORITY

AMEMBASSY LISBON PRIORITY

AMEMBASSY MADRID PRIORITY

AMEMBASSY OSLO PRIORITY

AMEMBASSY STOCKHOLM PRIORITY

AMEMBASSY VIENNA PRIORITY

AMEMBASSY HELSINKI PRIORITY

AMEMBASSY CAIRO PRIORITY

AMEMBASSY NEW DELHI PRIORITY

AMEMBASSY TOKYO PRIORITY

USLO PEKING PRIORITY

USMISSION EC BRUSSELS PRIORITY

USMISSION NATO BRUSSELS PRIORITY

USMISSION OECD PARIS PRIORITY

CINCUSAFE PRIORITY

USDOCOSOUTH PRIORITY

USCINCEUR PRIORITY

CINCUSNAVEUR PRIORITY

CINCUSAREUR PRIORITY

USNMR SHAPE PRIORITY

C O N F I D E N T I A L SECTION 01 OF 03 LONDON 04202

CINCUSAFE, USDOCOAIRSOUTH AND CINCEUR FOR POLADS

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 LONDON 04202 01 OF 03 171825Z

E.O. 11652: GDS

TAGS: PINT, PGOV, UK

SUBJECT: WHY WILSON RESIGNED AND SOME IMPLICATIONS

REF: (A) LONDON 4122 (NOTAL); (B) LONDON 4140 (NOTAL);
(C) STATE 64364

SUMMARY - IN OUR VIEW, PRIME MINISTER WILSON RESIGNED PRECISELY FOR THOSE REASONS STATED IN HIS OFFICIAL STATEMENT: AT AGE 60 HE HAD LED LABOR PARTY FOR 13 YEARS, 8 OF THEM AS PRIME MINISTER; HE DID NOT WISH TO DENY OTHERS A CHANCE TO SERVE; HE FELT IT ESSENTIAL TO ALLOW SUCCESSOR TO HAVE TIME TO MAKE HIS (OR HER) IMPRINT ON GOVERNMENT AND PARTY BEFORE FACING GENERAL ELECTION; AND HE WAS CONCERNED THAT CONTINUATION IN OFFICE MIGHT PRECLUDE SEARCHING CONSIDERATION OF NEW SOLUTIONS TO RECURRING PROBLEMS. WE DISCOUNT TOTALLY OTHER REASONS WHICH HAVE BEEN SUGGESTED IN PUBLIC AND PRIVATE SPECULATION. HEALTH, LAST WEEK'S LEFT-WING REVOLT, FAMILY PRESSURES, OR INCIPIENT SCANDAL, AMONG THEM. FOREIGN SECRETARY CALLAGHAN IS FAVORITE TO SUCCEED WILSON BUT HIS ELECTION IS BY NO MEANS ASSURED. CHANCELLOR HEALEY, EMPLOYMENT SECRETARY FOOT AND HOME SECRETARY JENKINS ARE OTHER LEADING CONTENDERS. WHOEVER IS SELECTED, HOWEVER, CAN PROBABLY COUNT ON HONEYMOON PERIOD IN TERMS OF INTERNAL LABOR PARTY STRIFE -- WILSON RESIGNATION WILL BE FACTOR FOR COHESION. WE ALSO TAKE ISSUE WITH SEVERAL SPECIFIC POINTS RAISED IN INR'S ASSESSMENT (REFTEL C). END SUMMARY

1. WILSON'S MARCH 16 ANNOUNCEMENT OF HIS INTENTION TO RESIGN AS SOON AS LABOR PARTY CAN CHOOSE SUCCESSOR CAME AS SURPRISE TO EVERYONE BUT QUEEN AND HIS CLOSEST PERSONAL ADVISORS WHOM HE INFORMED LAST DECEMBER. LATTER GROUP INCLUDED GEORGE THOMAS, NOW SPEAKER OF THE HOUSE OF COMMONS, LORD GOODMAN (HIS ATTORNEY), JOE HAINES (PRESS ADVISOR) AND DEPUTY LEADER TED SHORT. FOREIGN SECRETARY CALLAGHAN, WHO APPEARS TO BE WILSON'S PERSONAL PREFERENCE TO SUCCEED HIM, WAS ALSO ADVISED SEVERAL DAYS IN ADVANCE, PERHAPS OVER PREVIOUS WEEKEND.

CONFIDENTIAL

CONFIDENTIAL

PAGE 03 LONDON 04202 01 OF 03 171825Z

2. WILSON'S FORMAL ANNOUNCEMENT SET FORTH FOUR BASIC REASONS FOR HIS DECISION, ALLEGEDLY TAKEN IN MARCH 1974, TO RESIGN NEAR HIS SIXTIETH BIRTHDAY WHICH OCCURRED LAST WEEK. THEY WERE:

-- HE HAD LED LABOR PARTY FOR 13 YEARS, 8 OF THEM AS PRIME MINISTER, LONGER THAN ANY PEACETIME PREDECESSOR THIS CENTURY, AND SERVED ON THE FRONT BENCH NEARLY 30

YEARS;

-- HE HAD DUTY TO COUNTRY AND PARTY NOT TO REMAIN IN OFFICE SO LONG THAT OTHERS WERE DENIED CHANCE TO LEAD (AT THIS POINT HE MADE PARTICULAR REFERENCE TO AGE FACTOR, ASSERTING THAT WHILE 60 WAS PROPER AGE FOR HIM TO RETIRE, IT SHOULD HAVE NO BEARING ON QUESTION OF HIS SUCCESSOR -- THIS WAS GENERALLY REGARDED AS BOOST FOR CALLAGHAN WHO WILL BE 64 THIS MONTH);

-- THIS IS PROPER TIME FOR CHANGE, AS IT WILL ALLOW SUCCESSOR TO MAKE HIS (OR HER) MARK ON GOVERNMENT AND PARTY BEFORE HAVING TO FACE GENERAL ELECTION, AND NOT PREJUDICE NEXT MONTH'S BUDGET OR UPCOMING NEGOTIATIONS WITH

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 LONDON 04202 02 OF 03 171835Z

54

ACTION EUR-12

INFO OCT-01 EA-07 NEA-10 ISO-00 EURE-00 SS-15 SP-02 PM-04

PRS-01 INR-07 /059 W

----- 051557

P 171814Z MAR 76

FM AMEMBASSY LONDON

TO SECSTATE WASHDC PRIORITY 9948

INFO AMEMBASSY BONN PRIORITY

AMEMBASSY BRUSSELS PRIORITY

AMEMBASSY COPENHAGEN PRIORITY

AMEMBASSY DUBLIN PRIORITY

AMEMBASSY THE HAGUE PRIORITY

AMEMBASSY LUXEMBOURG PRIORITY

AMEMBASSY PARIS PRIORITY

AMEMBASSY ROME PRIORITY

AMEMBASSY LISBON PRIORITY

AMEMBASSY MADRID PRIORITY

AMEMBASSY OSLO PRIORITY

AMEMBASSY STOCKHOLM PRIORITY

AMEMBASSY VIENNA PRIORITY

AMEMBASSY HELSINKI PRIORITY

AMEMBASSY CAIRO PRIORITY

AMEMBASSY NEW DELHI PRIORITY
AMEMBASSY TOKYO PRIORITY
USLO PEKING PRIORITY
USMISSION EC BRUSSELS PRIORITY
USMISSION NATO BRUSSELS PRIORITY
USMISSION OECD PARIS PRIORITY
CINCUSAFE PRIORITY
USDOCOSOUTH PRIORITY
USCINCEUR PRIORITY
CINCUSNAVEUR PRIORITY
CINCUSAREUR PRIORITY
USNMR SHAPE PRIORITY

C O N F I D E N T I A L SECTION 02 OF 03 LONDON 04202

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 LONDON 04202 02 OF 03 171835Z

UNIONS OVER NEXT ROUND OF WAGE RESTRAINTS; AND

-- HE BELIEVES THERE IS DANGER, TO WHICH HE HAD ALWAYS BEEN ALERT, THAT LONG-TIME INCUMBENTS TEND NOT TO GIVE FRESH CONSIDERATION TO RECURRING PROBLEMS.

3. ANNOUNCEMENT IMMEDIATELY SPARKED SPECULATION AS TO "REAL" REASONS FOR WILSON'S RESIGNATION -- POOR HEALTH, FAMILY PRESSURES, LAST WEEK'S LEFT-WING REVOLT WHICH NECESSITATED CONFIDENCE VOTE AND IMPENDING SCANDAL INVOLVING WILSON WERE AMONG THE MORE POPULAR POSSIBILITIES SUGGESTED. WILSON DENIED THEM ALL, EXCEPT THE SCANDAL HYPOTHESIS WHICH WAS NOT RAISED PUBLICLY. HIS HEALTH, HE SAID, WAS EXCELLENT, AND HE CITED HIS LAST MEDICAL EXAMINATION IN SUPPORT. HIS ROBUST APPEARANCE PROVIDES FURTHER SUBSTANTIATION, IF SUCH IS NECESSARY. FAMILY PRESSURES, HE SAID, PLAYED NO ROLE IN HIS DECISION, AND HE ASSERTED THAT "I ALWAYS MAKE SUCH DECISIONS IN MY FAMILY." THIS TOO WOULD SEEM TO BE SUPPORTED BY OBSERVATION DURING HIS 30 YEARS IN THE PUBLIC EYE. HE EXPLICITLY DISCOUNTED SUGGESTIONS THAT LAST WEEK'S REVOLT BY TRIBUNE GROUP MPS

AND THE SUBSEQUENT VOTE OF CONFIDENCE HAD ANYTHING TO DO WITH HIS DECISION. INDEED, HE HINTED THAT THE REBELLION AND CONCERN THAT RESIGNATION MIGHT WEAKEN THE POUND ON INTERNATIONAL FINANCIAL MARKETS ACTUALLY DELAYED HIS ANNOUNCEMENT (WE BELIEVE THIS TO BE THE CASE). SOME PRIVATE SPECULATION HAS CENTERED ON POSSIBLE (BUT UNDEFINED) SCANDAL INVOLVING WILSON, THOUGH THERE IS NOT ONE SHRED OF EVIDENCE THAT WOULD SUPPORT THIS SUGGESTION.

4. WE ARE INCLINED TO ACCEPT REASONS SET FORTH IN WILSON' STATEMENT AT FACE VALUE, ADDING ONLY THAT THROUGHOUT HIS LONG CAREER HE HAS HAD A PENCHANT FOR THE SURPRISE MASTER-STROKE WHICH LEFT HIS ADVERSARIES CONFOUNDED AND, ON CLOSER EXAMINATION, PROVED TO BE A BRILLIANT MANEUVER. HIS SNAP RESIGNATION MAY WELL COME TO BE REGARDED AS ONE OF HIS MOST ASTUTE MOVES. AS HE NOTED, IT WILL GIVE HIS SUCCESSOR A CHANCE TO MAKE HIS MARK BEFORE ELECTIONS. IT
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 LONDON 04202 02 OF 03 171835Z

SHOULD ALSO INCREASE INTERNAL COHESION, AT LEASTT IN SHORT RUN. HIS SUCCESSOR IS LIKELY TO ENJOY A HONEYMOON PERIOD RESPITE FROM LABOR'S LEFT/RIGHT FEUDING, SINCE ALL ELEMENTS OF THE PARTY ARE ACUTELY AWARE THAT A GENERAL ELECTION IMMEDIATELY FOLLOWING A CHANGE IN LEADERSHIP COULD PROVE DISASTROUS. TUC WILL BE PARTICULARLY CONSCIOUS OF THIS FACTOR AND IT MAY WELL HAVE BEARING ON OUTCOME OF GOVERNMENT/TUC NEGOTIATIONS OVER NEXT ROUND OF WAGE RESTRAINTS. FINALLY, RESIGNATION PROVIDES A PERFECT OPPORTUNITY TO REPLACE SEVERAL OF THE OLDER CABINET MEMBERS (E.G., TED SHORT, BARBARA CASTLE, FRED PEART, WILLIAM ROSS) WITHOUT DISTURBING LABOR'S NARROW MAJORITY.

5. IT IS TOO EARLY TO PREDICT WHO WILL EVENTUALLY EMERGE AS NEXT LEADER -- INDEED THE CANDIDATES HAVE YET TO BE IDENTIFIED -- THOUGH CALLAGHAN REMAINS CLEAR FAVORITE. OTHER PRINCIPAL CONTENDERS, IN ACCORD WITH OUR CURRENT ASSESSMENT OF RELATIVE STRENGTH, ARE: CHANCELLOR HEALEY, EMPLOYMENT SECRETARY FOOT AND HOME SECRETARY JENKINS (CALLAGHAN, FOOT, AND TONY BENN HAVE ALREADY ANNOUNCED). FOOT WILL CLEARLY BE STRONGEST AND PERHAPS ONLY VIABLE LEFT-WING CANDIDATE. JENKINS MAY WELL RUN AHEAD OF HEALEY ON FIRST OALLOT, OUT WE BELIEVE LATTER IS MORE LIKELY TO ATTRACT ADOITIONAL SUPPORT IN SUCCESSIVE ROUNDS, SHOULD THEY PROVE NECESSARY. OTHER PROSPECTIVE CANDIDATES, ALL

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 LONDON 04202 03 OF 03 171831Z

54

ACTION EUR-12

INFO OCT-01 EA-07 NEA-10 ISO-00 EURE-00 SS-15 SP-02 PM-04

PRS-01 INR-07 /059 W

----- 051454

P 171814Z MAR 76

FM AMEMBASSY LONDON

TO SECSTATE WASHDC PRIORITY 9949

INFO AMEMBASSY BONN PRIORITY

AMEMBASSY BRUSSELS PRIORITY

AMEMBASSY COPENHAGEN PRIORITY

AMEMBASSY DUBLIN PRIORITY

AMEMBASSY THE HAGUE PRIORITY

AMEMBASSY LUXEMBOURG PRIORITY

AMEMBASSY PARIS PRIORITY

AMEMBASSY ROME PRIORITY

AMEMBASSY LISBON PRIORITY

AMEMBASSY MADRID PRIORITY

AMEMBASSY OSLO PRIORITY

AMEMBASSY STOCKHOLM PRIORITY

AMEMBASSY VIENNA PRIORITY

AMEMBASSY HELSINKI PRIORITY

AMEMBASSY CAIRO PRIORITY

AMEMBASSY NEW DELHI PRIORITY

AMEMBASSY TOKYO PRIORITY

USLO PEKING PRIORITY

USMISSION EC BRUSSELS PRIORITY

USMISSION NATO BRUSSELS PRIORITY

USMISSION OECD PARIS PRIORITY

CINCUSAFE PRIORITY

USDOCOSOUTH PRIORITY

USCINCEUR PRIORITY

CINCUSNAVEUR PRIORITY

CINCUSAREUR PRIORITY

USNMR SHAPE PRIORITY

C O N F I D E N T I A L SECTION 03 OF 03 LONDON 04202

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 LONDON 04202 03 OF 03 171831Z

OF WHOM MUST BE CONSIDERED LONG SHOTS, INCLUDE: ENVIRON-
MENT SECRETARY CROSLAND AND PRICES SECRETARY SHIRLEY
WILLIAMS.

6. INR'S INITIAL ASSESSMENT (REFTEL C) ARRIVED AS THIS

CABLE WAS BEING PREPARED. WE WOULD TAKE EXCEPTION TO FOLLOWING POINTS THEREIN:

-- WILSON'S CLOSEST CONFIDANTS, IN ADDITION TO QUEEN, HAVE BEEN AWARE FOR SEVERAL MONTHS OF HIS INTENTION TO RESIGN NEAR HIS SIXTIETH BIRTHDAY;

-- BEST EXPLANATION FOR RESIGNATION IS THE SIMPLEST, I.E., WILSON'S OWN PUBLICLY ANNOUNCED REASONS; RECENT LEFT-WING REVOLT, IF IT HAD ANY EFFECT, MERELY DELAYED ANNOUNCEMENT A FEW DAYS;

-- MICHAEL FOOT IS FAVORITE CANDIDATE OF LEFT-WING; BENN'S CANDIDACY WILL ENJOY SUBSTANTIAL LEFT-WING SUPPORT ONLY IF FOOT DOES NOT STAND;

-- WHILE HEALEY'S BRUTAL ATTACK OF LAST WEEK ON LEFT-WING HAS HURT HIS CHANCES, HE CANNOT BE ENTIRELY DISCOUNTED IF CALLAGHAN FAILS TO WIN ON FIRST BALLOT, ESPECIALLY IF, AS HAS BEEN REPORTED BY SOME PARLIAMENTARY LABOR PARTY SOURCES, MICHAEL FOOT WOULD PREFER HIM TO CALLAGHAN; HEALEY ALSO ENJOYS CLOSE RELATIONSHIP WITH TUC LEADER JACK JONES;

-- ELECTION OF NEW LEADER IS LIKELY TO HAVE POSITIVE EFFECT ON PARTY COHESION, AT LEAST THROUGH OCTOBER AND PERHAPS LATER;

-- WHILE CONSERVATIVE LEADER THATCHER HAS ALREADY CALLED FOR GENERAL ELECTION, GOVERNMENT WILL RESIST AND WE BELIEVE PROSPECTS FOR EARLY ELECTION ARE REMOTE; MOREOVER, ASSUMPTIONS ABOUT OUTCOME OF GENERAL ELECTION BASED ON PROJECTION OF FIVE PERCENT SWING TO CONSERVATIVES ARE MISLEADING, IF ONLY BECAUSE OF HIGHLY VOLATILE SITUATION IN SCOTLAND.

CONFIDENTIAL

CONFIDENTIAL

PAGE 03 LONDON 04202 03 OF 03 171831Z

ARMSTRONG

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PRIME MINISTER, PERSONAL OPINION, PERSONNEL RESIGNATIONS, POLITICAL SITUATION
Control Number: n/a
Copy: SINGLE
Draft Date: 17 MAR 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: saccheem
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976LONDON04202
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D760101-0098
From: LONDON
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760352/aaaabtqr.tel
Line Count: 373
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 7
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 76 LONDON 4122
Review Action: RELEASED, APPROVED
Review Authority: saccheem
Review Comment: n/a
Review Content Flags:
Review Date: 01 APR 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <01 APR 2004 by CunninFX>; APPROVED <27 JUL 2004 by saccheem>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: WHY WILSON RESIGNED AND SOME IMPLICATIONS
TAGS: PINT, PGOV, UK, (WILSON, HAROLD)
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006